StormGeo Denmark A/S

Maskinvej 5, 2860 Søborg

CVR no. 39 37 42 85

Annual report for 2023

This annual report has been adopted at the
annual general meeting on 28.06.24

Christian Edinger Munk Plum

Chairman of the meeting

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Company information etc.

The company

StormGeo Denmark A/S
c/o Alfa Laval Copenhagen A/S
Maskinvej 5
2860 Søborg
Danmark

Tel.: 28 77 50 57

Registered office: Gladsaxe
CVR no.: 39 37 42 85
Founded: 1. marts 2018
Financial year: 01.01 - 31.12
6. financial year

Executive Board

Kim Hedegaard Sørensen

Board of Directors

Karl Jonas Magnus Orrling
Christian Fleischer Christiansen
Kim Hedegaard Sørensen

Auditors

EY Godkendt Revisionspartnerselskab

Bank

Nordea Danmark

Lawyer

Gorrissen Federpiel

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for StormGeo Denmark A/S.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Soeborg, Copenhagen, June 28, 2024

Executive Board

Kim Hedegaard Sørensen

Board of Directors

Karl Jonas Magnus Orrling
Chairman

Christian Fleischer Christiansen

Kim Hedegaard Sørensen

To the capital owner of StormGeo Denmark A/S

Opinion

We have audited the financial statements of StormGeo Denmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, June 28, 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Nørgaard
State Authorized Public Accountant
MNE-no. mne35501

Management's review

Primary activities

StormGeo Denmark A/S develops IT tools for the maritime shipping and bunkering industry.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK 2,339,356 against DKK -381,946 for the period 01.03.22 - 31.12.22. The balance sheet shows equity of DKK 5,237,057.

The management considers the net profit for the year to be satisfactory.

Subsequent events

No events have occurred after the financial year-end, which could significantly affect the company's financial position.

Income statement

Note		2023 DKK	01.03.22 31.12.22 DKK
	Gross profit	**15,126,873**	**739,573**
1	Staff costs	-11,680,986	-733,153
	Profit before depreciation, amortisation, write-downs and impairment losses	**3,445,887**	**6,420**
	Amortisation and impairments losses of intangible assets	-403,114	-403,944
	Operating profit/loss	**3,042,773**	**-397,524**
2	Financial income	47,934	13,847
3	Financial expenses	-87,124	-104,859
	Total net financials	**-39,190**	**-91,012**
	Profit/loss before tax	**3,003,583**	**-488,536**
4	Tax on profit or loss for the year	-664,227	106,590
	Profit/loss for the year	**2,339,356**	**-381,946**

	2023	01.03.22 - 31.12.22
Proposed appropriation account		
Retained earnings	2,339,356	-381,946
Total	**2,339,356**	**-381,946**

Balance sheet

ASSETS

Note		31.12.23 DKK	31.12.22 DKK
	Completed development projects	2,722,850	3,125,964
5	**Total intangible assets**	**2,722,850**	**3,125,964**
	Total non-current assets	**2,722,850**	**3,125,964**
	Trade receivables	69,312	138,384
	Receivables from group enterprises	2,992,985	0
	Income tax receivable	56,000	23,236
	Other receivables	130,157	1,028,652
	Prepayments	0	13,523
	Total receivables	**3,248,454**	**1,203,795**
	Cash	**2,386,752**	**286,153**
	Total current assets	**5,635,206**	**1,489,948**
	Total assets	**8,358,056**	**4,615,912**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.23 DKK	31.12.22 DKK
	Share capital	400,000	400,000
	Reserve for development costs	2,123,823	2,438,252
	Retained earnings	2,713,234	59,449
	Total equity	**5,237,057**	**2,897,701**
	Provisions for deferred tax	540,407	239,180
	Total provisions	**540,407**	**239,180**
6	Deferred income	228,390	266,455
	Total long-term payables	**228,390**	**266,455**
6	Short-term part of long-term payables	38,065	38,065
	Trade payables	185,150	220,137
	Payables to group enterprises	58,125	924,852
	Other payables	2,070,862	29,522
	Total short-term payables	**2,352,202**	**1,212,576**
	Total payables	**2,580,592**	**1,479,031**
	Total equity and liabilities	**8,358,056**	**4,615,912**

7 Contingent liabilities
8 Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Share premium	Reserve for developmen t costs	Retained earnings	Total equity
Statement of changes in equity for 01.03.22 - 31.12.22					
Balance as at 01.03.22	42,373	0	2,486,112	-2,248,838	279,647
Capital increase	357,627	642,373	0	0	1,000,000
Group contribution	0	0	0	2,000,000	2,000,000
Transfers to/from other reserves	0	-642,373	-47,860	690,233	0
Net profit/loss for the year	0	0	0	-381,946	-381,946
Balance as at 31.12.22	400,000	0	2,438,252	59,449	2,897,701
Statement of changes in equity for 01.01.23 - 31.12.23					
Balance as at 01.01.23	400,000	0	2,438,252	59,449	2,897,701
Transfers to/from other reserves	0	0	-314,429	314,429	0
Net profit/loss for the year	0	0	0	2,339,356	2,339,356
Balance as at 31.12.23	400,000	0	2,123,823	2,713,234	5,237,057

Notes

	2023 DKK	01.03.22 31.12.22 DKK

1. Staff costs

Wages and salaries	10,372,571	642,749
Pensions	1,253,266	64,718
Other social security costs	35,554	10,285
Other staff costs	19,595	15,401
Total	11,680,986	733,153
Average number of employees during the year	6	1

2. Financial income

Interest, group enterprises	34,193	0
Other financial income	13,741	13,847
Total	47,934	13,847

3. Financial expenses

Interest, group enterprises	66,627	0
Other financial expenses	20,497	104,859
Total	87,124	104,859

4. Tax on profit or loss for the year

Current tax for the year	363,000	-23,236
Adjustment of deferred tax for the year	301,227	-83,354
Total	664,227	-106,590

5. Intangible assets

Figures in DKK	Completed development projects
Cost as at 01.01.23	3,946,697
Cost as at 31.12.23	3,946,697
Amortisation and impairment losses as at 01.01.23	-820,733
Amortisation during the year	-403,114
Amortisation and impairment losses as at 31.12.23	-1,223,847
Carrying amount as at 31.12.23	2,722,850

Development projects include development expenses for Bunker Metric software product. The software product supports ship operators in finding the best bunker procurement plan and improving voyage margins by using sophisticated algorithms. The optimization tool enables ship owners to streamline operations to help them improve their bottom line.

Based on the expected revenue for 2024 and the following years, a net present value is expected that significantly exceeds the book value of development projects.

Because the Bunker Metric software product is in the early phase of its product life cycle, Our assessment is that the expected lifetime for the technology is 10 years.

6. Long-term payables

Figures in DKK	Short-term payables	Outstanding debt after 5 years	Total payables at 31.12.23	Total payables at 31.12.22
Deferred income	38,065	76,130	266,455	304,520
Total	38,065	76,130	266,455	304,520

7. Contingent liabilities

Other contingent liabilities

The company is taxed jointly with ALFA LAVAL KOLDING A/S, CVR-no 30 93 80 11 as administration company and is liable for income taxes on a pro rata basis for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company ALFA LAVAL KOLDING A/S.

8. Charges and security

As security for debt to credit institutions of t.DKK 1,000, a company charge has been provided comprising intellectual property rights and trade receivables. The total carrying amount of the comprised assets is t.DKK 2.792.

9. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of individual rules from class C.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using exchange rates at the transaction date.

9. Accounting policies - continued -

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, other external expenses and other operating income with reference to the Danish Financial Statement Act §32.

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms ® 2020.

Revenue is measured at the selling value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

To the extent that customers are offered a right of return in connection with the sale, revenue corresponding to the Company's experience with returns is recognised. In cases where the Company has no experience from similar transactions, no revenue is recognised until the return period has expired.

Other operating income

Other operating income comprises items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of property, plant and equipment, etc. Compensation and grants are recognised when it is highly probable that they are received and that the conditions are fulfilled.

9. Accounting policies - continued -

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Amortisation and impairment losses

The amortisation of intangible assets aim at systematic amortisation over the expected useful lives of the assets. Assets are amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value DKK
Completed development projects	10	0

The basis of amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

9. Accounting policies - continued -

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Intangible assets

Completed development projects

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the ‘Amortisation and impairment losses’ section.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Impairment losses on intangible assets

The carrying amount of intangible assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

9. Accounting policies - continued -

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank account.

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Grants received from the parent are recognised directly in equity under retained earnings, as the grants are treated as capital contributions.

9. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income

Deferred revenue consist of received grant related to development projects. The grants is recognised as other income according to the same period as the assets are depreciated.

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Karl Jonas Magnus Orrling
Bestyrelse
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Kim Hedegaard Sørensen
Direktion
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Kim Hedegaard Sørensen
Bestyrelse
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2024-06-28 14:59:44 UTC

Allan Nørgaard
Revisor
Serienummer: 4d7b903a-6f60-47fd-820e-adcc34671c1a
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2024-06-28 15:17:04 UTC

Christian Fleischer Christiansen
Bestyrelse
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2024-06-30 18:50:58 UTC

Christian Edinger Munk Plum
Dirigent
Serienummer: 8e0d4d3e-1839-4d56-b162-4fa5c4545629
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